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The President

EXECUTIVE ORDER

ESTABLISHING AN AIRSPACE RESERVATION OVER A PORTION OF THE DISTRICT OF COLUMBIA

By virtue of and pursuant to the authority vested in me by section 4 of the Air Commerce Act of 1926 (44 Stat. 568, 570), the airspace above the following-described portion of the District of Columbia is hereby reserved and set apart for national defense and other governmental purposes, and for public safety purposes, as an airspace reservation within which civil aircraft are forbidden to be operated except by special permission of the Secretary of Commerce:

All that area within the City of Washington, D. C., lying within the following-described boundary, together with all the area in the horizontal plane extending one-quarter of a mile outward from all points on such boundary:

Beginning at Union Station, thence to the Capitol, thence to the Naval Hospital, thence to the Executive Mansion, and thence to Union Station, the point of beginning.

Persons operating aircraft within this airspace reservation in violation of the provisions of this order or of the said Air Commerce Act of 1926 will be subject to the penalties prescribed by section 11 of that act.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

June 16, 1938.

[No. 7910]

[F. R. Doc. 38-1725; Filed, June 17, 1938; 10: 05 a. m.]

EXECUTIVE ORDER

TRANSFERRING TO THE TERRITORY OF HAWAII TITLE TO CERTAIN PUBLIC LANDS

WHEREAS section 91 of the act of Congress approved April 30, 1900, entitled "An act to provide a government

for the Territory of Hawaii" (31 Stat. 141), as amended by section 7 of the act approved May 27, 1910, 36 Stat. 443, authorizes the transfer to the Territory of Hawaii by direction of the President of the title to certain public property ceded and transferred to the United States by the Republic of Hawaii under the joint resolution of annexation, approved July 7, 1898, 30 Stat. 750, and in the possession and use of the Territory of Hawaii for public purposes, or required for any such purposes; and

WHEREAS title to certain public lands hereinafter described is required by the Territory of Hawaii for the public purpose of providing for the construction of a causeway to give the citizens of the Territory a safe way of passage along the coast line at the point where said lands are located;

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, by virtue of the power vested in me by section 91 of an act of Congress approved April 30, 1900, 31 Stat. 141, as amended by section 7 of an act approved May 27, 1910, 36 Stat. 443, do hereby transfer to the Territory of Hawaii the title to two parcels of land owned by the United States, situate at Kaalawai, Kapahulu, District of Honolulu, Island of Oahu, Territory of Hawaii, described as follows:

PARCEL 1

Beginning at a point on seashore at highwater mark at the end of Course 37 of Land Court Application 1136, the coordinates of said point of beginning referred to Government Survey Trig. Station "Leshi" being 1076.52 feet South and 5421.15 feet East, and running by azimuths measured clockwise from true South:

Along highwater mark for the following twenty-eight courses, the direct azimuths and distances from point to point along sea coast as described in said Land Court Application 1136 being as follows:

1. 271° 01' 19.00 feet;
2. 319° 43' 23.20 feet;
3. 247° 37' 36.80 feet;
4. 220° 00' 29.50 feet;

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5.	250° 53'	16.50 feet;
6.	287° 08'	15.30 feet;
7.	324° 50'	13.80 feet;
8.	13° 30'	20.70 feet;
9.	319° 45'	16.20 feet;
10.	281° 12'	24.20 feet;
11.	322° 27'	17.20 feet;
12.	350° 31'	12.40 feet;
13.	307° 02'	31.80 feet;
14.	329° 02'	50.60 feet;
15.	332° 27'	28.80 feet;
16.	246° 45'	31.00 feet;
17.	193° 01'	19.90 feet;
18.	255° 18'	13.20 feet;

19.	227° 24'	32.10 feet;
20.	318° 22'	41.00 feet;
21.	331° 19'	48.40 feet;
22.	38° 05'	14.20 feet;
23.	80° 46'	18.40 feet;
24.	11° 37'	13.70 feet;
25.	345° 13'	19.60 feet;
26.	52° 59'	17.20 feet;
27.	5° 47'	26.30 feet;
28.	311° 56'	12.00 feet to the end of Course 9, Land Court Application 1136; thence
29.	128° 05'	405.92 feet to the point of beginning.

Area 0.563 acre.

PARCEL 2

Beginning at a point on seashore at highwater mark at the end of Course 9 of said Land Court Application 1136, the coordinates of said point of beginning referred to Government Survey Trig. Station "Leahi" being 1326.89 feet South and 5740.66 feet East, and running by azimuths measured clockwise from true South;

Along highwater mark for the following five courses, the direct azimuths and distances from point to point along sea coast as described in said Land Court Application 1136 being as follows:

1.	268° 13'	11.20 feet;
2.	213° 40'	42.50 feet;
3.	306° 39'	29.60 feet;
4.	305° 48'	34.80 feet;
5.	16° 08'	13.20 feet to the end of Course 4 of Land Court Application 1136; thence
6.	100° 14'	84.40 feet to the point of beginning.

Area 0.045 acre.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
June 16, 1938.

[No. 7911]

[F. R. Doc. 38-1726; Filed, June 17, 1938;
10:06 a. m.]

Rules, Regulations, Orders

TITLE 7—AGRICULTURE

AGRICULTURAL ADJUSTMENT ADMINISTRATION

[Form 38—Tobacco 11]

INSTRUCTIONS FOR DETERMINATION OF FLUE-CURED TOBACCO FARM MARKETING QUOTAS FOR 1938

PART 1. PROCEDURE FOR DETERMINATION OF FLUE-CURED TOBACCO MARKETING QUOTAS

SECTION I. General outline of method of establishing farm marketing quotas.—This section outlines, in general terms, the procedure for establishing flue-cured tobacco farm marketing quotas in accordance with the provisions of the Agricultural Adjustment Act of 1938. The term "tobacco" as used in these instructions means flue-cured tobacco unless otherwise indicated.

A. Farms for which quotas will be established.—A marketing quota will be established for each farm on which tobacco is produced in the year 1938. For the purpose of establishing farm marketing quotas, farms are divided into two general classes:

1. Old farms.—Farms producing tobacco in 1938 and on which tobacco also was produced in one or more of the four years, 1934-37 will be referred to as "old farms." An old farm will also be referred to as a "large farm" if for the three years, 1935-37, the average tobacco production and diversion was more than 3,200 pounds, and as a "small farm" if the three-year average was 3,000 pounds or less. Diversion means the normal production of the acres on the farm diverted from the production of tobacco during the three years, 1935-37, under agricultural adjustment or conservation programs.

2. New farms.—Farms on which tobacco is produced in the year 1938 for the first time since the year 1933 will be referred to as "new farms."

B. Basis for the establishment of farm marketing quotas.—1. Old farms.—(a) Quotas for all old farms will be established by allotting the State marketing quota among such farms on the basis of the following factors: (1) past marketings of tobacco, making due allowance for abnormal weather conditions and plant diseases; (2) land, labor, and equipment available for the production of tobacco; (3) crop-rotation practices; and (4) the soil and other physical factors affecting the production of tobacco. The quota for an old farm will not be less than the smaller of 3,200 pounds or the three-year (1935-37) average tobacco production and diversion.

(b) An addition to the State quota, of a number of pounds not exceeding four percent of such quota, will be used in the State to increase quotas for old farms which are inadequate in view of the past production of tobacco on the farm.

2. New farms.—Marketing quotas will be established for new farms by the allotment among such farms of a number of pounds equal to three percent of the national marketing quota of 705,000,000 pounds. These allotments will be made upon the basis of the same factors as for old farms, except past marketings of tobacco. The marketing quota established for a new farm cannot be more than 75 percent of the quota which would be established for an old farm which was similar with respect to such factors.

C. Determination of normal marketings.—The first step in the procedure for the establishment of farm marketing quotas will be to determine for each farm on which tobacco is produced in 1938 a "normal marketings" based upon the same factors as are required to be taken into consideration in establishing farm marketing quotas (Sec. II). The

normal marketings for old farms will be the sum of (1) seventy-five percent of the "adjusted past marketings" which will be calculated so as to take into account the marketings from the farm during the three years 1935-37 (making due allowance for abnormal weather conditions and plant diseases) and the soil and other physical factors affecting the production of tobacco on the farm (Sec. II, A), and (2) 25 percent of the marketings indicated by the land, labor and equipment available for the production of tobacco on the farm (Sec. II, B). The normal marketings for new farms will be 100 percent of the marketings indicated by the land, labor and equipment available for the production of tobacco on the farm (Sec. II, B). However, the normal marketings for a farm computed as indicated above, will be subject to certain limitations (Sec. III). These limitations will be measured by a factor representing the acreage necessary to permit crop-rotation practices on the farm (Sec. III, B) and also by the 1938 acreage of tobacco on the farm (Sec. III, A), the land, labor and equipment available for the production of tobacco on the farm in 1938 (Sec. III, C) and the past marketings of tobacco (Sec. III, D).

D. Establishment of farm marketing quotas on the basis of normal marketings.—Farm marketing quotas will be established by adjusting normal marketings in the following manner:

1. *Old farms.*—The total of the normal marketings of all old farms in each State will be brought within the State marketing quota by adjusting the normal marketings of each old farm in the State by a uniform percentage. The normal marketings for old farms, after being thus adjusted, will be subject to such further adjustment as is necessary in order to provide each such farm with a "minimum quota" (the smaller of 3,200 pounds or the three year, 1935-37, average production plus diversion) and at the same time keep the total of the quotas for all such farms within the State quota. Normal marketings for a farm, as finally adjusted, will constitute the farm marketing quota (Sec. IV, A). Farm marketing quotas, established as indicated above for old farms, will be increased if they are found, under prescribed standards, to be inadequate in view of past production on the farm. The 4 percent addition to the State marketing quota will be used for this purpose (Sec. IV, C).

2. *New farms.*—The total marketing quotas of all new farms will be brought within the amount represented by three percent of the national quota of 705,000,000 pounds by adjusting the normal marketings for all new farms in the United States by a uniform percentage. The normal marketings for a new farm, thus adjusted, will be the farm marketing quota (Sec. IV, B).

E. Detailed procedure.—The detailed procedure for the establishment of farm marketing quotas, in the manner outlined above, is set forth in the following sections of these instructions.

Section II. Procedure for calculation of normal marketings.—The data for use in calculating normal marketings will be collected and tabulated by county offices in accordance with Sections VI to IX of these instructions.

The normal marketings for each old farm will be seventy-five percent of the adjusted past marketings as calculated pursuant to subsection A below, plus twenty-five percent of the marketings for the farm indicated by land, labor and equipment, as calculated pursuant to subsection B below. The normal marketings for each new farm will be the marketings indicated by the land, labor and equipment available for the production of tobacco on the farm. If necessary, adjustments of the normal marketings for a farm will be made pursuant to Section III below.

A. Calculation of adjusted past marketings.—(1) The adjusted past marketings for any farm will be the largest of the following three items:

(a) 33 $\frac{1}{3}$ percent of the total harvested and diverted acreage in the three years, 1935-37, multiplied by the farm yield;

(b) 40 percent of the total harvested and diverted acreage in the two years of the three years, 1935-37, in which such acreage was the highest, multiplied by the farm yield;

(c) 60 percent of the highest harvested and diverted acreage in any one of the three years, 1935-37, multiplied by the farm yield;

Provided, That, if, for any farm, the average of the marketings from the farm and of the normal production of tobacco on the diverted acreage during the three years, 1935-37, is greater than any of the items (a), (b), or (c) above, and records satisfactory to the community and county committees have been presented in support of all marketings reported by the operator, the three-year average of marketings and diversion shall be used in lieu of items (a), (b), or (c) above.

(2) The harvested acreage shall be the acreage actually harvested on the farm, except that if the community and county committees find that, because of flood, drought, hail or blue-mold, the harvested acreage of tobacco for the farm in any of the three years, 1935-37, was less than 60 percent of the base acreage established for the farm for such year under the agricultural adjustment or conservation program the harvested acreage for such year shall be adjusted to 70 percent of such base acreage.

(3) The farm yield shall be the 1935 yield per acre of tobacco for the farm, if such yield is known, provided that such yield shall be fixed at not more than 300

pounds below the county average yield¹ for 1935, nor more than the larger of (a) 300 pounds above the 1935 county average yield, or (b) the average yield per acre for the farm for the three years 1935, 1936 and 1937. If the committee finds that because of flood, drought, hail or blue-mold the 1935 yield per acre for any farm was materially lower than the yield which otherwise would have been obtained, the committee shall assign as the farm yield that yield which it finds to be normal for the farm, taking into consideration the yields on farms in the locality which have similar types of soil, provided that such yield shall not be more than the higher of the 1936 or 1937 yield per acre for the farm. If the 1935 yield for a farm is not known, the 1935 community average yield¹ shall be used. If the 1935 county or community average yield cannot be established because the 1935 yields for farms in such county or community are not known, the average yield for the nearest county or community which the State committee finds to be most similar with respect to type of soil, topography and productivity to such county or community, as the case may be, shall be used. If, for any community, the committee finds that the 1935 average yield was reduced materially because of flood, drought, hail or blue-mold, the county committee shall make recommendations to the State committee with respect to an adjusted yield for the community and the State committee shall establish a 1935 yield for the community on the basis of the recommendations of the county committee and other available information.

B. Calculation of marketings indicated by land, labor, and equipment.—1. *County land- and labor-cash crops factors.*—For each county in which tobacco is produced in 1938, a county land-cash crops factor and a county labor-cash crops factor shall be established by computing the following items with respect to a representative sample² of tobacco farms:

- (a) The acres of cropland;
- (b) The 1937 harvested and diverted acres of flue-cured tobacco;
- (c) The sum of: (1) the number of acres of tobacco other than flue-cured tobacco on such farms in 1937; (2) one-half of the number of the harvested and diverted acres of cotton on such farms in 1937; (3) one-half of the number of acres of peanuts harvested for nuts on such farms in 1937; (4) one-half of the

¹ The 1935 community average yield and the 1935 county average yield shall be determined by calculating the simple average of the 1935 tobacco yields per acre for a representative sample of tobacco farms in each community and in the county. A "representative sample" shall be 20 percent or more of the tobacco farms from each of the communities in the county. The farms included in the sample shall consist, as far as practical, of alternate farms (i. e., every third, fourth or fifth farm listed on Form 38—Tobacco 10) in each community.

² Same as described in footnote one.

number of acres of commercial truck and vegetables (including Irish potatoes) on such farms in 1937.

(d) The number of families on such farms in the year 1938;

(e) Item (a) shall be divided into the sum of item (b) and (c) and the quotient shall be the "county land-cash crop factor."

(f) Item (d) shall be divided into the sum of (b) and (c) and the quotient shall be the "county labor-cash crop factor."

2. *Land*.—(a) Multiply the number of acres of cropland in each farm by the county land-cash crops factor.

(b) From item (a) above, subtract the sum of: (1) the number of acres of tobacco other than flue-cured tobacco on the farm in 1937; (2) one-half of the number of the harvested and diverted acres of cotton on the farm in 1937; (3) one-half of the number of acres of peanuts harvested for nuts on the farm in 1937; (4) one-half of the number of acres of commercial truck and vegetables (including Irish potatoes) on the farm in 1937.

(c) The number of acres obtained under item (b) above, will represent the land available for the production of tobacco on the farm in relation to other farms.

3. *Labor*.—(a) Multiply the number of families on each farm by the county labor-cash crop factor.

(b) From item (a) above, subtract the sum of: (1) the number of the harvested and diverted acres of tobacco other than flue-cured tobacco on the farm; (2) one-half the number of harvested and diverted acres of cotton on the farm in 1937; (3) one-half of the number of acres of peanuts harvested for nuts on the farm in 1937; (4) one-half of the number of acres of commercial truck and vegetables (including Irish potatoes) on the farm in 1937.

(c) The number of acres obtained under item (b) above will represent the labor available for the production of tobacco on the farm in relation to other farms.

4. *Equipment*.—Compute for each farm the average acreage capacity of the flue-cured tobacco curing barns on the farm in condition for use in 1938. The average acreage capacity of such barns will be computed as follows:

Size Barn:	Average Acres Capacity
16' x 16'-----	4
16' x 18'-----	5
16' x 20'-----	6
20' x 20'-----	7

5. *Land, labor and equipment*.—Marketing for a farm as indicated by the land, labor and equipment available for the production of tobacco on the farm will be one-third of the sum of the number of acres computed for the farm under "Land," "Labor," and "Equipment" (items 2, 3, and 4), multiplied by the farm yield.

SECTION III. *Adjustments of normal marketings*.—Normal marketing for a farm computed as provided in Section II shall be adjusted as follows:

A. *Marketings in relation to 1938 acreage of tobacco*.—The normal marketings for any farm shall not be greater than the number of pounds obtained by multiplying the farm yield by 150 percent of the 1938 acreage of tobacco on the farm.

B. *Marketings in relation to acreage required for minimum crop-rotation practices*.—The normal marketings for any farm shall not be greater than the number of pounds obtained by multiplying a percentage of the cropland in the farm by the farm yield. The percentage of cropland shall be 40 to 50 percent, increasing above 40 percent by 1 percent for each acre by which the cropland in the farm is less than 25 acres.

C. *Marketings in relation to land, labor, and equipment and to 1938 acreage*.—For any farm for which the "adjusted past marketings" was the number of pounds obtained by multiplying 33 1/3 percent of the harvested and diverted acreage on the farm for the three years 1935-37 by the farm yield and to which B above is not applicable, the normal marketings shall not be less than 90 percent of the smaller of:

(1) The marketings indicated by land, labor and equipment available for the production of tobacco; or

(2) 150 percent of the acreage of flue-cured tobacco to be harvested on the farm in 1938 multiplied by the farm yield.

D. *Marketings in relation to past marketings*.—In no case shall the normal past marketings for any farm be more than twice as large as the "adjusted past marketings" for the farm.

SECTION IV. *Calculation of farm marketing quotas from normal marketings*.—Farm marketing quotas will be established by adjusting normal marketing determined as provided in Sections II and III above, and apportioning the 4 percent addition to the State quota, as follows:

A. *Old farms*.—(1) The normal marketings for all old farms (large and small) in each State will be adjusted by a uniform percentage (determined by the State Office and the Agricultural Adjustment Administration) so as to equal the State marketing quota.

(2) There will be allocated to each such farm a "minimum quota" equal to the three-year average (1935-37) for the farm of marketings and diversion but not more than 3,200 pounds. The sum of such "minimum quotas" for all farms in each State will be deducted from the State quota.

(3) There will be subtracted from the normal marketings for each farm, as adjusted under item 1 above, the "minimum quota" for the farm. The resulting figure will be the "excess" for the farm.

(4) The "excess" for all farms in each State will be reduced by a uniform per-

centage so as to equal the amount of the State quota remaining after subtraction therefrom of the total (computed under item 2) "minimum quotas" for all farms in the State.

(5) The marketing quota for each farm will be the "minimum quota" for the farm plus the "excess" (if any) for the farm as adjusted under item 4 above.

B. *New farms*.—The total of the normal marketings for all new farms will be reduced so as to equal three percent of the national marketing quota of 705,000,000 pounds. This adjustment will be made by reducing the normal marketings for all new farms by a uniform percentage. The normal marketing for a new farm adjusted as indicated will be the farm marketing quota.

C. *Four percent addition to the State quota*.—A number of pounds equal to 4 percent of the farm quotas established (pursuant to A above) for all old farms in each county will be apportioned among such farms. The apportionment to each such farm shall be made in proportion to the amount by which the farm marketing quota is less than the smaller of the adjusted past marketings for the farm or 150 percent of the 1938 acreage of tobacco times the farm yield.

SECTION V. *Definitions*.—As used in these instructions and in all forms and documents in connection therewith, unless the context or subject matter otherwise requires:

1. *Act* means the Agricultural Adjustment Act of 1938 and any amendments thereto.

2. *Secretary of Agriculture* means the Secretary of Agriculture of the United States.

3. *Administrator* means the Administrator of the Agricultural Adjustment Administration of the United States Department of Agriculture.

4. *State Office* means those persons or committees in the State who, under authorization by the Secretary of Agriculture, are responsible for the administration in the State of the Agricultural Adjustment Act of 1938.

5. *State Committee* means the group of persons designated within any State to assist in the administration in the State of the Agricultural Adjustment Act of 1938.

6. *Committee* means a committee within a county or community utilized under the Agricultural Adjustment Act of 1938. "County committee", "community committee", or "local committee" shall have corresponding meanings in the connection in which they are used.

7. *County Office* means those persons or committees in the county who, under authorization by the Secretary of Agriculture, are responsible for the local administration of the Agricultural Adjustment Act of 1938.

8. *Family* means a body of persons who live on the farm in 1938 in one house and under one head, and who are working regularly on the farm in 1938.

9. *Diversion* means the normal production on diverted acreage; diverted acreage for a farm for any year means the acres on the farm diverted from the production of tobacco during such year under the agricultural adjustment or conservation program for such year.

10. *Person* means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of a State or of the Federal Government. The term "person" shall include two or more persons having a joint or common interest. Words importing the masculine gender may be construed or applied in the feminine or neuter gender wherever the context or application of such words so requires or permits.

11. *Owner or Landlord* means a person who owns farm land and rents such land to another person or operates such land.

12. *Cash Tenant or Standard-Rent Tenant or Fixed Rent Tenant* means a person who rents land from another for a fixed amount of cash or a commodity to be paid as rent.

13. *Share Tenant* means a person other than a sharecropper who rents land from another person and pays as rent a share of the crops or the proceeds thereof.

14. *Sharecropper* means a person who works a farm in whole or in part under the general supervision of the operator and is entitled to receive for his labor a share of a crop produced thereon or the proceeds thereof.

15. *Operator* means a person who as a landlord or cash tenant or standing or fixed-rent tenant is operating a farm and is entitled to receive all or a portion of the crops produced thereon or the proceeds of such crops, or who as a share tenant is operating a whole farm and is entitled under a written or oral lease or agreement to receive a portion of the crops produced thereon or of the proceeds of such crops.

16. *Producer or Farmer* means a person who is entitled to a share of the tobacco crop, or the proceeds thereof, produced on the farm in 1938, as owner, landlord, cash tenant, standing-rent tenant, fixed-rent tenant, share-tenant or sharecropper. The term "producer" or "farmer" also includes a wage hand (or cropper) who as a laborer on a farm instead of receiving daily or other cash wages for his labor receives either all the tobacco produced by him or another on an agreed or specified acreage or all the tobacco produced on an agreed or specified portion of the acreage cultivated by him or another.

17. *Farm* means all adjacent or nearby farm land under the same ownership which is operated by one person, including also:

1. Any other adjacent or nearby farm land operated by the same person (as part of the same unit with respect to the rotation of crops and with workstock, farm machinery, and labor substantially separate from that for any other land)

the inclusion of which is requested or agreed to, within the time and in the manner specified by the Agricultural Adjustment Administration, by the operator and all the owners who are entitled to share in the proceeds of the crop on any of the land to be included in the farm, which request and agreement shall be applicable to the designation of the land included in such farm both under the 1938 Agricultural Conservation Program and under these instructions;

2. Any field-rented tract (whether operated by the same or another person) which, together with any other land included in the farm, constitutes a unit with respect to the rotation of crops;

Provided, That land not under the same ownership shall be included in the same farm only if the county committee determines that all of such land is customarily regarded in the community as constituting one farm. A farm shall be regarded as located in the county or the local administrative area within the county, as the case may be, in which the principal dwelling is situated, or if there is no dwelling thereon it shall be regarded as located in the county or local administrative area, as the case may be, in which the major portion of the farm is located.

18. *Tobacco* means flue-cured tobacco unless otherwise indicated.

19. *Flue-cured tobacco* means tobacco classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the Department, as types 11, 12, 13 and 14 collectively known as flue-cured tobacco.

20. *Farm Marketing Quota* means a flue-cured tobacco marketing quota established for a farm under section 313 of the Agricultural Adjustment Act of 1938.

21. *Cropland* means farm land tilled annually or in regular rotation, excluding commercial orchards.

Done at Washington, D. C., this 16th day of June, 1938. Witness my hand and the seal of the Department of Agriculture.

[SEAL]

H. A. WALLACE,
Secretary of Agriculture.

[F. R. Doc. 38-1721; Filed, June 16, 1938;
12:46 p. m.]

DETERMINATION OF NORMAL YIELD OF COMMERCIALY RECOVERABLE SUGAR PER ACRE AND ELIGIBILITY FOR PAYMENT WITH RESPECT TO ABANDONMENT AND CROP DEFICIENCY FOR FARMS IN THE TERRITORY OF HAWAII

Pursuant to the provisions of Section 303 of the Sugar Act of 1937, I, H. A. Wallace, Secretary of Agriculture, do hereby determine:

I

1. That for any farm on which sugarcane was grown and marketed (or processed by the producer) for the extraction of sugar during all three of the 1934,

1935 and 1936 crop years, the normal yield of commercially recoverable sugar per acre shall be the product of:

(a) the average number of hundred-weights of sugar, raw value, recovered per short ton of sugarcane processed during such crop years for the extraction of sugar by the mill, or mills, where such sugarcane was ground, and

(b) the average number of short tons of sugarcane per acre harvested on the farm for the extraction of sugar during the said three crop years.

2. That for any farm on which sugarcane was not grown and marketed (or processed by the producer) for the extraction of sugar during all three of the 1934, 1935 and 1936 crop years, the normal yield of commercially recoverable sugar per acre shall be the average of such yields for all farms, within the same mill area, on which sugarcane was harvested for the extraction of sugar during all three of the 1934, 1935 and 1936 crop years.

II

That any farm located in a county in which the actual yields of commercially recoverable sugar per acre for farms comprising 10 per cent or more of the total acreage of sugarcane for the extraction of sugar were 80 per cent, or less, of the normal yields therefor, because of drought, flood, storm, freeze, disease or insects, shall be eligible for abandonment and deficiency payments, pursuant to Section 303 of the said Act. Done at Washington, D. C. this 17th day of June 1938. Witness my hand and the seal of the Department of Agriculture.

[SEAL]

H. A. WALLACE,
Secretary.

[F. R. Doc. 38-1736; Filed, June 17, 1938;
12:21 p. m.]

TITLE 16—COMPETITIVE PRACTICES

FEDERAL TRADE COMMISSION

United States of America—Before
Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 8th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3206]

IN THE MATTER OF H. KLUGER, INC. A CORPORATION

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondent and a stipulation as to the facts executed by William T. Kelley, Chief Counsel of the Federal

Trade Commission, and Cole and Morrill, counsel for respondent, the filing of briefs having been waived and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the Federal Trade Commission Act;

It is ordered, That respondent, H. Kluger, Inc., its officers, representatives, agents and employees, in connection with the offering for sale, sale and distribution of piece goods in interstate commerce or in the District of Columbia, do forthwith cease and desist from:

(1) Using, assisting or cooperating in the using of the words and figures "Pur'Di", "Genuine Pur'Di", "Pur Dye", "100% Pure Dye" and "100% Pure Dye Crepe," or any other word or words, or combination of words and figures, of similar import or meaning, to describe or designate fabrics or products which are not composed wholly of silk, the product of the cocoon of the silk worm.

(2) Using, assisting or cooperating in the using of the word or words, "Pure Silk Filled," or any other word or words of similar import or meaning, to describe or designate products which are not composed wholly of silk, the product of the cocoon of the silk worm, unless, in the case of a fabric or product composed in part of silk and in part of rayon, or material or materials other than silk, there is used in immediate connection and conjunction therewith, and in letters of at least equal size and conspicuousness, a word or words accurately describing the fiber, material or materials from which said fabric or product was actually made; and provided that the fiber or material content of such fabric or product be actually disclosed by designating each constituent fiber or material thereof, in the order of its predominance by weight, beginning with the largest single constituent.

(3) Using, assisting or cooperating in the using of the word "crepe," or any other word or words of similar import or meaning, to describe or designate any fabric or product which is not composed wholly of silk, the product of the cocoon of the silk worm, unless there is used in immediate connection and conjunction therewith, in letters of at least equal size and conspicuousness, a word or words accurately naming or describing the fiber, material or materials from which said fabric or product is actually made; and provided that such disclosure of the fiber or material content thereof shall be made by accurately designating each constituent fiber or material thereof in the order of its predominance by weight, beginning with the largest single constituent.

(4) Representing, through the use of the words "factories," "manufacturer," or "manufacturers," or through the use of any other word or term of similar import or meaning, or through any other means or device, or in any manner, that said respondent is the manufacturer of

the product sold by it,—unless and until such respondent actually owns or operates, or directly and absolutely controls a manufacturing plant or factory wherein said products are manufactured by it.

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-1722; Filed, June 16, 1938;
4:17 p. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 9th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3280]

IN THE MATTER OF BELVEDERE SILKS, INC.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondent and the stipulation as to the facts executed by W. T. Kelley, Chief Counsel for the Federal Trade Commission, and the respondent, Belvedere Silks, Inc., (the filing of briefs having been waived) and the Commission having made its findings as to the facts and conclusion that said respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That respondent, Belvedere Silks, Inc., its officers, representatives, agents and employees in connection with the advertising and offering for sale, sale and distribution of its merchandise and fabrics in interstate commerce, or in the District of Columbia, do forthwith cease and desist from:

1. Using, assisting or cooperating in the using of the word or words "Silk" or "Belvedere Silk," or any other word or words of similar import or meaning in its corporate name, or in any other manner, to describe or designate fabrics or products which are not composed wholly of silk, the product of the cocoon of the silkworm, unless, in the case of fabrics or products composed in part of silk and in part of rayon, or materials other than silk, there is used in immediate connection or conjunction therewith, and in letters of at least equal size and conspicuousness, a word or words accurately describing the fiber, material or materials from which said fabrics or products are actually made;

and provided, that the fiber or material content of such fabrics or products be accurately disclosed, by designating each constituent fiber or material thereof, in the order of its predominance by weight, beginning with the largest single constituent.

It is further ordered, That the respondent shall within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-1723; Filed, June 16, 1938;
4:17 p. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission held at its office in the City of Washington, D. C., on the 17th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[File No. 21-295]

IN THE MATTER OF TRADE PRACTICE RULES FOR THE FUR INDUSTRY

PROMULGATION

Due proceedings having been had under the trade practice conference procedure in pursuance of the Act of Congress approved September 26, 1914 (38 Stat. 717),

It is now ordered, That the trade practice rules of Group I which have been approved by the Commission in this proceeding and the rules in Group II which have been received by the Commission as expressions of the industry be, and the same are, hereby promulgated for the Fur Industry.

These rules promulgated by the Commission are designed to foster and promote fair competitive conditions in the interest of the industry and the public. They are not to be used, directly or indirectly, as part of or in connection with any combination or agreement to fix prices, or for the suppression of competition, or otherwise to unreasonably restrain trade.

Group I

The unfair trade practices which are embraced in Group I rules are considered to be unfair methods of competition, unfair or deceptive acts or practices, or other illegal practices, prohibited under laws administered by the Federal Trade Commission as construed in the decisions of the Commission or the courts; and appropriate proceedings in the public interest will be taken by the Commission to prevent the use of such unlawful practices in or directly affecting interstate commerce.

RULE 1. Misrepresentation of Products

(a) Making, or causing to be made or published, directly or indirectly, through advertisement, pictorial representation, invoice, label, tag, or otherwise, any false, misleading, or deceptive statement or representation concerning the grade, quality, substance, character, material, name, nature, or zoological origin of any furs or fur products, or in any other material respect, is an unfair trade practice.

(b) It is an unfair trade practice to use, in advertisements or on labels, tags, brands, or otherwise, any description, designation, or representation of any fur which deceptively conceals the true name or nature of the fur with the tendency and capacity or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public.

NOTE.—In order properly to describe a fur, the correct name of the fur must be the last word of the description, and if any dye or blend is used simulating another fur, the word "dyed" or "blended" must be inserted between the name signifying the fur that is simulated and the true name of the fur, as, for example, "Seal-dyed Muskrat."

RULE 2. Fictitious Animal Designations

It is an unfair trade practice to use, falsely or deceptively, in advertisements, labels, tags, brands, or other representations of furs, any trade name, coined name, or other name or words descriptive of the fur as being the fur of an animal which is in fact non-existent.

RULE 3. Passing off Cross-breeds as True Breeds

(a) In the case of fur which simulates a certain true species or breed of animal, it is an unfair trade practice, in advertising, branding, labeling, or otherwise representing such fur, not to make in connection therewith full and nondeceptive disclosure of the fact that such fur has been obtained from an animal which is of a different species or is a cross-breed or other than a true breed.

(b) Advertising, offering for sale, selling, branding, or otherwise representing furs as the product of a true species or breed of animals, unless such fur in fact has been obtained from a true species or breed of animals, is an unfair trade practice.

RULE 4. Deceptive Use of Trade or Corporate Names, or Trade-marks

The use of any trade name, corporate name, trade-mark, or other trade designation in a manner which is calculated to or does mislead or deceive purchasers, prospective purchasers, or the consuming public as to the character, name, nature, or geographical or zoological origin of any fur or fur product or product made partly of fur, or in any other material respect, is an unfair trade practice.

RULE 5. Misrepresentation of Geographical Origin of Furs

Making, or causing to be made or published, directly or indirectly, through advertisement, or on labels or tags, or otherwise, in connection with the sale or offering for sale of furs or fur garments, or garments made partly of fur, any false, misleading, or deceptive statement as to the geographical origin of the animal from which the peltry has been obtained, is an unfair trade practice.

NOTE.—Nothing in these rules shall prohibit the use of the designation "Persian Lamb" to describe one of the Karakul breed, a fat-tailed sheep with hair in regular curls lying close to the pelt; nor shall anything in these rules prohibit the use of the designation "Broadtail" as applied to baby lamb, the offspring of this breed of Karakul sheep, not including in either case, however, Krimmer or other cross-breeds of Karakul sheep, or other types of Karakul sheep, such as caracul.

RULE 6. Passing Off Domestic Furs as Imported Furs

Selling, or offering for sale, advertising, describing, branding, labeling, or otherwise representing any fur or fur product as imported, when such is not the fact, is an unfair trade practice.

RULE 7. Failure to Disclose Tipping, Blending, Pointing, or Dyeing of Furs

It is an unfair trade practice to fail to disclose in advertisements, bills of sale, or invoices, or on labels, tags, or otherwise, the fact that furs, fur garments, or the fur trimming on garments made partly of fur, have been tipped, blended, or pointed, or have been dyed to simulate other kinds or grades of fur, with the tendency and capacity or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public.

RULE 8. Used, Worn, or Secondhand Garments—Failure to Disclose

It is an unfair trade practice to sell or offer for sale used or worn fur garments, including those which have been renovated or rebuilt, unless the fact is clearly indicated, in advertising or on labels or tags, that such garments are used, worn, or secondhand, or have been made over.

RULE 9. Failure to Disclose that Garments are Made of Pieces, Tails, Paws, etc.

The selling or offering for sale, through advertisement or otherwise, of fur-trimmed garments the fur of which is composed of pieces and not of full skins, or of fur garments made in whole or in part of pieces, tails, paws, throats, heads, or scraps, or of plates or mats composed of pieces and not of full skins, without fully disclosing such fact and with the tendency and capacity or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

RULE 10. Misrepresentation as to Character of Business

For any person, firm, or corporation to hold himself or itself out to the public, by means of misrepresentation as to price or otherwise, as a trapper, custom fur-

rier, dyer, dresser, fur farmer, wholesaler, jobber, or a manufacturer of fur garments, when such is not the fact, or in any other manner to misrepresent the character of his or its business, is an unfair trade practice.

RULE 11. Misuse of Word "Genuine"

It is an unfair trade practice to use the word "genuine" to describe a fur which has been processed or dyed to imitate the fur of an animal known by another name in commerce and in zoology.

For example, the following should not be used:

Genuine Mink Marmot
Genuine Northern Seal

RULE 12. Asterisk or Dagger References

In the case where any explanatory statement or representation in advertisements, labels, tags, brands, or descriptions is necessary to avoid the probability of deception, misunderstanding, or misrepresentation, it is an unfair trade practice to omit such explanatory statement or representation, or to place the same, by the use of asterisk or dagger references or otherwise, in such manner or in such remote or obscure place as to deceptively minimize, obscure, or render it inconspicuous.

RULE 13. Deceptive Substitution of Furs

(a) For any member of the industry deceptively to substitute inferior furs for furs of better quality which have been entrusted to him or it by fur merchants or garment manufacturers is an unfair trade practice.

(b) For any member of the industry deceptively to substitute inferior furs for furs of better quality sold by him or it to any member of the trade or to the purchasing public is an unfair trade practice.

RULE 14. Misrepresenting Services as "Free"

Representing as "free" the repair or storage of or other service in connection with fur garments when in fact such repairs or services are regularly included as part of another charge, with the tendency or capacity to mislead or deceive purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

RULE 15. Misrepresenting the manufacture or Dyeing of Assembled Garments

(a) It is an unfair trade practice to sell, offer for sale, advertise, describe, or otherwise represent assembled garments as being the product of one manufacturer or of one dyer when such is not the fact, with the tendency and capacity or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public.

(b) In case peltries are dyed to simulate other furs, it is an unfair trade

practice for the dyer thereof to fail to stamp such peltries with the true name of the furs, where such failure has the tendency and capacity or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public.

RULE 16. Misrepresenting Fur Garments as "Hollywood Models", etc.

The sale or offering for sale, through advertising or otherwise, of fur garments as bankrupt stock, samples, showroom models, "Hollywood Models", "Paris Models", "French Models", "Parisian Creations", "Furs worn by society women", receivers stock, auction stock, assets of a liquidating estate, or the like, when such is not the fact, is an unfair trade practice.

RULE 17. Deceptive Guarantees or Warranties

Making, or causing to be made or published directly or indirectly, any false, misleading, or deceptive statement or representation in connection with any guarantee or warranty of fur garments as to their performance, durability, or resistance to discoloration is an unfair trade practice.

RULE 18. False Invoicing

Withholding from or inserting in invoices, bills of sale, or other documents of title, any statements or information by reason of which omission or insertion a false record is made, wholly or in part, of the transactions represented on the face of such invoices, bills of sale, or other documents of title, with the purpose or effect of thereby misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

RULE 19. Defamation of Competitors and Disparagement of Their Products

The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations, or the false disparagement of the grade, quality, or manufacture of the products of competitors, or of their business methods, selling prices, values, credit terms, policies, or services, is an unfair trade practice.

RULE 20. Commercial Bribery

It is an unfair trade practice for a member of the industry, directly or indirectly, to give or offer to give, or permit or cause to be given, money or anything of value to agents, employees, or representatives of customers or prospective customers, or to agents, employees, or representatives of competitors' customers or prospective customers, without the knowledge of their employers or principals, as an inducement to influence their employers or principals to purchase, or contract to purchase, products manufactured or sold by such industry mem-

ber, or the maker of such gift or offer, or to influence such employers or principals to refrain from dealing in the products of competitors, or from dealing or contracting to deal with competitors.

RULE 21. Inducing Breach of Contract

Inducing or attempting to induce the breach of existing lawful contracts between competitors and their customers or their suppliers by any false or deceptive means whatsoever, or interfering with or obstructing the performance of any such contractual duties or services by any such means, with the purpose and effect of unduly hampering, injuring, or prejudicing competitors in their businesses, is an unfair trade practice.

RULE 22

(a) *Prohibited discriminatory prices, or rebates, refunds, discounts, credits, etc., which effect unlawful price discrimination.*—It is an unfair trade practice for any member of the industry engaged in commerce,¹ in the course of such commerce, to grant or allow, secretly or openly, directly or indirectly, any rebate, refund, discount, credit, or other form of price differential,² where such rebate, refund, discount, credit, or other form of price differential effects a discrimination in price between different purchasers of goods of like grade and quality, where either or any of the purchases involved therein are in commerce,³ and where the effect thereof may be substantially to lessen competition or tend to create a monopoly in any line of commerce,⁴ or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination or with customers of either of them: *Provided, however*—

(1) That the goods involved in any such transaction are sold for use, consumption, or resale within any place under the jurisdiction of the United States;

(2) That nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered;

(3) That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce⁵ from selecting their own cus-

¹ Paragraph (a) of Rule 22 shall not be construed as embracing practices prohibited by paragraphs (b), (c), and (d) of this rule.

² As herein used, the word "commerce" means trade or commerce among the several States and with foreign nations, or between the District of Columbia or any Territory of the United States and any State, Territory, or foreign nation, or between any insular possessions or other places under the jurisdiction of the United States, or between any such possession or place and any State or Territory of the United States or the District of Columbia or any foreign nation, or within the District of Columbia or any Territory or insular possession or other place under the jurisdiction of the United States: *Provided*, That this shall not apply to the Philippine Islands.

tomers in bona fide transactions and not in restraint of trade;

(4) That nothing herein contained shall prevent price changes from time to time where made in response to changing conditions affecting either (a) the market for the goods concerned, or (b) the marketability of the goods, such as, but not limited to, actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

(b) *Prohibited brokerage and commissions.*—It is an unfair trade practice for any member of the industry engaged in commerce,¹ in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale or purchase of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

(c) *Prohibited advertising or promotional allowances, etc.*—It is an unfair trade practice for any member of the industry engaged in commerce² to pay or contract for the payment of advertising or promotional allowances or any other thing of value to or for the benefit of a customer of such member in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such member, unless such payment or consideration is available on proportionally equal terms to all other customers competing in the distribution of such products or commodities.

(d) *Prohibited discriminatory services or facilities.*—It is an unfair trade practice for any member of the industry engaged in commerce³ to discriminate in favor of one purchaser against another purchaser or purchasers of a commodity brought for resale, with or without processing, by contracting to furnish or by furnishing, or by contributing to the furnishing of, any services or facilities connected with the processing, handling, sale, or offering for sale of such commodity so purchased upon terms not accorded to all purchasers on proportionally equal terms.

(e) *Illegal price discrimination.*—It is an unfair trade practice for any member of the industry or other person engaged in commerce,⁴ in the course of such commerce, to discriminate in price in any other respect contrary to Section 2 of the

Clayton Act as amended by the Act of Congress approved June 19, 1936 (Public No. 692, 74th Congress), or knowingly to induce or receive a discrimination in price which is prohibited by such section as amended.

RULE 23. Discriminatory Returns

It is an unfair trade practice for any member of the industry engaged in commerce¹ to discriminate in favor of one customer-purchaser against another customer-purchaser of fur pieces or garments made wholly or in part of fur, bought from such member of the industry for resale, by contracting to furnish or furnishing in connection therewith, upon terms not accorded to all customer-purchasers on proportionally equal terms, the service or facility whereby such favored purchaser is accorded the privilege of returning such merchandise so purchased and receiving therefor credit or refund of purchase price: *Provided, however*, nothing in any of the rules herein shall prohibit or be used to prevent the return of merchandise by purchaser, for credit or refund of purchase price, when and because such merchandise has not been properly labeled by the seller as to its true character, or has been otherwise falsely or deceptively labeled or represented, or when and because such merchandise is defective in material, workmanship, or in any other respect contrary to warranty or purchase contract.

RULE 24. Imitation of Trade-marks, Trade Names, Etc.

The imitation or use of valid and exclusively owned trade-marks, trade names, brands, or labels of competitors, having the tendency and capacity or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

RULE 25. Representing Retail Prices as Wholesale

For any wholesaler, manufacturer, jobber, or broker to advertise for sale, offer to sell, or sell, fur garments at prices represented to be wholesale, through the medium of invoices, letterheads, statements, labels, printed matter, or by the use of the words "Wholesaler", "Manufacturer", "Jobber", or "Broker", or in any other manner, when in truth and in fact such prices are not wholesale prices, is an unfair trade practice.

RULE 26. Consignment Selling

It is an unfair trade practice for any member of the industry to use the practice of shipping goods on consignment or pretended consignment for the purpose and with the effect of artificially clogging trade outlets and unduly restricting competitors' use of said trade outlets in getting their goods to consumers through regular channels of dis-

tribution, or with such purpose to entirely close said trade outlets to such competitors so as to substantially lessen competition or tend to create a monopoly or to unreasonably restrain trade: *Provided, however*, that nothing herein shall be construed or used as restricting or preventing consignment shipping or marketing of commodities in good faith and without artificial interference with competitors' use of the usual channels of distribution in such manner as thereby to suppress competition or restrain trade.

RULE 27. Misrepresenting the Price of Remodeling, Restyling, Remaking, or Altering Fur Garments

It is an unfair trade practice deceptively to advertise or offer to remodel, remake, restyle, or alter a fur garment at a specified price, as an inducement to secure such work, thereafter charging a higher price than the price advertised or represented.

RULE 28. Failure to Disclose Damage to Peltries

It is an unfair trade practice to sell or offer for sale furs or fur garments which have been burned, damaged, or otherwise injured in process of dyeing, dressing, or otherwise, without disclosing such fact through suitable tags, stamps, or labels, with the tendency and capacity or effect of misleading or deceiving customers, prospective customers, or the consuming public.

RULE 29. Fictitious Prices

Offering merchandise for sale at prices purported to be reduced from what are in fact fictitious prices, or offering merchandise for sale at a purported reduction in price when such purported reduction is in fact fictitious, with the tendency and capacity or effect of misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice.

Group II

The trade practices embraced in these Group II rules are considered to be conducive to sound business methods and are to be encouraged and promoted individually or through voluntary cooperation exercised in accordance with existing law. Nonobservance of such rules does not, *per se*, constitute violation of law. However, the failure to observe them under certain circumstances may result in an unfair method of competition contrary to law. In such event, a corrective proceeding may be instituted by the Commission as in the case of a violation of Group I rules.

RULE A. Return of Merchandise

The practice, by members of the industry, of selling merchandise and later permitting the purchaser to return it for credit or refund of purchase price, without just cause, creates waste and

loss, increases the cost of doing business, to the detriment of both the industry and the public, and is condemned by the industry, subject, however, to requirements and limitations set forth in the provisions of Rule 23 of Group I, herein.

RULE B. Selling Furs at Auction

In order to protect the purchasing public from fraud in the purchase of furs at auction, it is the judgment of the industry that the name and address of the member of the industry offering furs for sale in such manner should be disclosed.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-1727; Filed, June 17, 1938;
11:04 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS INTERSTATE COMMERCE COMMISSION

[No. 15780]

ORDER RELATIVE TO DEPRECIATION CHARGES OF CARRIERS BY WATER

At a session of the Interstate Commerce Commission, Division 4, held at its office in Washington, D. C., on the 10th day of June, A. D. 1938.

Good cause appearing therefor:

It is ordered, That the order of August 1, 1935, in this proceeding, as amended April 2, 1936, March 17, 1937 and November 22, 1937, be, and it is hereby, further amended as follows:

By changing the latest date upon which carriers by water shall file with the Commission estimates of percentage rates as provided in paragraph (7) thereof, as amended, from August 1, 1938 to August 1, 1939.

It is further ordered, That in all other respects the said order of August 1, 1935, as amended, shall become effective on January 1, 1939, as provided therein.

By the Commission, division 4.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 38-1737; Filed, June 17, 1938;
12:29 p. m.]

Notices

FEDERAL TRADE COMMISSION.

United States of America—Before
Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 14th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

¹ See footnote 2, p. 1444.

[Docket No. 3052]

IN THE MATTER OF MORRIS WHITE MFG. CO., INC., AND STYLECRAFT LEATHER GOODS COMPANY, INC.

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That W. W. Sheppard, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Monday, June 27, 1938, at nine o'clock in the forenoon of that day (eastern standard time), in Room 500, at 45 Broadway, New York, N. Y.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondents. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-1728; Filed, June 17, 1938;
11:04 a. m.]

United States of America—Before
Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 16th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3318]

IN THE MATTER OF ROY HEMPHILL, DOING BUSINESS UNDER THE NAME AND STYLE OF DIESEL POWER-UNITED ENGINEERING SCHOOLS, DIESEL POWER-UNITED ENGINEERING SCHOOLS, INC., A CORPORATION ORGANIZED UNDER THE LAWS OF THE STATE OF MINNESOTA, AND DIESEL POWER-UNITED ENGINEERING SCHOOLS, A CORPORATION ORGANIZED UNDER THE LAWS OF THE STATE OF MISSOURI

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That William C. Reeves, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Monday, June 27, 1938, at ten o'clock in the forenoon of that day (central standard time), in Room 208, Federal Building, Minneapolis, Minn.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondents. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-1729; Filed, June 17, 1938;
11:04 a. m.]

United States of America—Before
Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 13th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3351]

IN THE MATTER OF LINCOLN DENTAL SUPPLY COMPANY, INC., A CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That W. W. Sheppard, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Wednesday, June 22, 1938, at nine o'clock in the forenoon of that day (eastern standard time), in Room 502-C, Custom House, 2d and Chestnut Sts., Philadelphia, Pa.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-1730; Filed, June 17, 1938;
11:05 a. m.]

United States of America—Before
Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 14th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3371]

IN THE MATTER OF GULF REFINING
COMPANY

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That Miles J. Furnas, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Monday, June 27, 1938, at ten o'clock in the forenoon of that day (central standard time), in Room 300, New Orleans Association of Commerce Building, New Orleans, La.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commissioner.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-1731; Filed, June 17, 1938;
11:05 a. m.]

United States of America—Before
Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 14th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3383]

IN THE MATTER OF W. K. HONBAUM, AN INDIVIDUAL DOING BUSINESS UNDER THE TRADE NAME OF MONARCH STOVE TOP COMPANY

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That Robert S. Hall, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Monday, June 27, 1938, at nine o'clock

in the forenoon of that day (central standard time), in Room 1123, New Post Office Building, Chicago, Ill.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[P. R. Doc. 38-1732; Filed, June 17, 1938;
11:06 a. m.]

*United States of America—Before
Federal Trade Commission*

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 14th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3417]

IN THE MATTER OF NATIONAL INSTITUTE, INC., A CORPORATION, DOING BUSINESS UNDER THE NAME AND STYLE OF DIESEL ENGINES TRAINING, AND CLAYTON R. HASTINGS, SETH E. ROWDABAUGH, AND JOHN C. SMITH, INDIVIDUALLY AND AS OFFICERS OF SAID CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41).

It is ordered, That Edward J. Hornbrook, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Monday, June 27, 1938, at ten o'clock in the forenoon of that day (central standard time), in the Office of the Postmaster, Post Office Building, Muncie, Ind.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondents. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[P. R. Doc. 38-1733; Filed, June 17, 1938;
11:07 a. m.]

*United States of America—Before
Federal Trade Commission*

At a regular session of the Federal Trade Commission, held at its office in

the City of Washington, D. C., on the 13th day of June, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 3434]

IN THE MATTER OF LETELLIER-PHILLIPS PAPER COMPANY, INC., A CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41).

It is ordered, That Miles J. Furnas, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in the proceeding begin on Monday, June 20, 1938, at ten o'clock in the forenoon of that day (central standard time), in Room 300, New Orleans Association of Commerce Building, New Orleans, Louisiana.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[P. R. Doc. 38-1734; Filed, June 17, 1938;
11:07 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

*United States of America—Before the
Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 16th day of June, A. D. 1938.

[File No. 1-300]

IN THE MATTER OF INTERSTATE HOSIERY MILLS, INC., COMMON CAPITAL STOCK OF NO PAR VALUE

ORDER FOR HEARING

It appearing to the Commission:

That the Interstate Hosiery Mills, Inc., a corporation, is the issuer of Common Capital Stock of no par value; and

That 98,291 shares of Common Capital Stock of no par value of Interstate Hosiery Mills, Inc., are registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, on the New York Curb Exchange, a national securities exchange; and

That in connection with such registration the issuer of such securities, on or about April 4, 1935, filed an application on Form 10 for Corporations with

said Exchange and duplicate originals thereof with the Commission, covering the registration of 96,991 shares, signed for the company by Ivan Selig, President, and attested by Harold D. Greenwald, Treasurer, containing, among other things, financial statements, required to be included therein pursuant to Section 12 of the said Act, as amended, and Rule JB1, as amended, promulgated by the Securities and Exchange Commission thereunder; and that on or about June 12, 1937, an additional block of 1300 shares was registered on the said Exchange, although no additional financial statements were filed or required to be filed in connection therewith; and

That the issuer of such securities, pursuant to Section 13 of the said Act, as amended, and Rules KA1 and KA2, promulgated by the Securities and Exchange Commission thereunder, filed on April 2, 1936, and April 24, 1937, annual reports on Form 10-K for Corporations with the said Exchange and duplicate originals thereof with the Commission, for the fiscal years ended December 31, 1935, and December 31, 1936, respectively, signed for the company by Ivan Selig, President, and attested by Harold D. Greenwald, Vice President and Treasurer, which reports contained, among other things, financial statements of the issuer for said fiscal years; and

That Interstate Hosiery Mills, Inc., procured the services of Homes & Davis, certified public accountants, for the purpose of preparing and certifying such financial statements; that such accounting firm, purporting to act as independent certified public accountants, did prepare and certify said financial statements as fairly presenting in accordance with accepted principles of accounting consistently maintained by Interstate Hosiery Mills, Inc., the financial position of said Company as of the respective dates of such statements and the results of its operations for the respective periods embraced by such statements; and that thereafter Interstate Hosiery Mills, Inc., filed such statements as aforesaid; and

The Commission having reason to believe;

That the financial statements contained in said Form 10 application for registration and said Form 10-K annual reports did not fairly present the financial positions of the Company as of the respective dates of such statements, or the results of its operations for the respective periods embraced by such statements, and were false and misleading with respect to various items, including cash and cash items, notes and accounts receivable, inventories, and cost of goods sold, whereby the assets of Interstate Hosiery Mills, Inc. were made to appear substantially greater than was actually the fact and whereby far greater earnings and profits for the periods involved were reflected than was actually the fact; and

That the New York Curb Exchange, on or about February 15, 1938, temporarily suspended the Common Capital Stock, of no par value, of Interstate Hosiery Mills, Inc., from trading on that Exchange pending completion of investigation by the Exchange of the accounts of said company, and that such suspension is still in effect; and

The Commission being of the opinion that, pursuant to Section 19 (a) (2) of the Securities Exchange Act of 1934, as amended, a hearing should be held to determine:

(a) Whether Interstate Hosiery Mills, Inc., has failed to comply with the provisions of Section 12 (b) or Section 13 (a) or (b) of said Act, as amended, or the Rules and Regulations promulgated by the Commission thereunder;

(b) Whether such financial statements fail fairly to present the financial position of the Company as of the respective dates of such statements and fail fairly to present the results of the Company's operations for the respective periods embraced by such statements, and, if such financial statements fail fairly to present such financial position or such results, whether Interstate Hosiery Mills, Inc., or Homes & Davis knew or, in the exercise of reasonable diligence, should have known that such was the case;

(c) Whether, although the Rules and Regulations of the Commission, promulgated pursuant to Section 12 (b) and Section 13 (a) and (b) of said Act, as amended, require the person certifying such financial statements to review the accounting principles and procedures followed by the registrant and to take appropriate measures to satisfy himself that such accounting principles and procedures were, in fact, followed, there was a failure to make such review and to take such measures with respect to the financial statements hereinabove referred to, to permit or warrant the certification by Homes & Davis as independent certified public accountants that the accounting principles followed by the registrant were consistently maintained during the periods under review in accordance with accepted principles of accounting, and, if there was a failure to make such review or take such measures, whether Interstate Hosiery Mills, Inc., or the firm of Homes & Davis knew or, in the exercise of reasonable diligence, should have known that such was the case;

(d) Whether, although such Rules and Regulations do not authorize the omission of any procedure which independent public accountants would ordinarily employ in the course of a regular annual audit, there was in fact an omission of a procedure which independent public accountants would ordinarily employ in the course of such an audit;

(e) Whether it is necessary or appropriate for the protection of investors to suspend for a period not exceeding twelve months, or withdraw the registration of said Common Capital Stock of no par value on the New York Curb Exchange.

It is ordered, That a public hearing be held for such purpose before the officer of the Commission herein designated, beginning on the 24th day of June, 1938, at 10:00 A. M. at the Regional Office of the Securities and Exchange Commission, Room 2006, 120 Broadway, New York, New York, and to continue thereafter at such times and places as said officer may determine; and

It is further ordered, That for the purpose of such proceeding Adrian Humphreys, an officer of the Commission, be and he hereby is designated to administer oaths and affirmations, subpoena witnesses, compel their attendance, take testimony, and require the production of any books, papers, correspondence, memoranda or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

By direction of the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-1739; Filed, June 17, 1938;
12:54 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 16th day of June 1938.

[File No. 31-57]

IN THE MATTER OF THE APPLICATION OF VIRGINIA PUBLIC SERVICE COMPANY

ORDER CONSENTING TO WITHDRAWAL OF PART OF APPLICATION FOR EXEMPTION

Virginia Public Service Company, having filed on November 29, 1935, an application for exemption as a holding company under Section 3 (a) (2) of the Public Utility Holding Company Act of 1935 and said company in its own behalf and in behalf of its subsidiaries:

Harpers Ferry Paper Company.
Shenandoah Pulp Company.
Citizens Rapid Transit Corporation.
Hampton Towing Corporation.
Newport News Distilled Ice Company.
Virginia Northern Ice Corporation.
Middle Virginia Power Company.

for exemption under Sections 3 (b) and 3 (d) of said Act from all obligations, duties or liabilities imposed upon such companies as subsidiary companies or affiliates under any and all provisions of the said Act;

Virginia Public Service Company, having requested permission on June 14th,

1938, to withdraw the application to the extent that said application sought an exemption in behalf of it and its subsidiaries above-mentioned under Sections 3 (b) and 3 (d) of said Act;

The Commission, having due regard to the public interest and the interest of investors and consumers, consents to withdrawal of the application to the extent requested.

It is so ordered.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-1742; Filed, June 17, 1938;
12:55 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C. on the 15th day of June 1938.

[File No. 31-430]

IN THE MATTER OF SLOSS-SHEFFIELD STEEL & IRON COMPANY

ORDER DECLARING APPLICANT NOT TO BE AN ELECTRIC UTILITY COMPANY

Sloss-Sheffield Steel & Iron Company having made application for a declaration that it is not an electric utility company pursuant to the provisions of Section 2 (a) (3) (A) of the Public Utility Holding Company Act of 1935; a hearing on said application having been duly held after appropriate notice; the record in this matter having been duly considered; and the Commission having made appropriate findings;

It is ordered, Pursuant to Section 2 (a) (3) (A) of the Public Utility Holding Company Act of 1935, that Sloss-Sheffield Steel & Iron Company be and it is hereby declared not to be an electric utility company.

By the Commission:

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-1741; Filed, June 17, 1938;
12:55 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 16th day of June, A. D. 1938.

[File No. 43-118]

IN THE MATTER OF NORTHEASTERN WATER COMPANIES, INC.

NOTICE OF AND ORDER FOR HEARING

A declaration pursuant to section 7 of the Public Utility Holding Company Act

of 1935, having been duly filed with this Commission by the above-named party;

It is ordered, That a hearing on such matter be held on July 7, 1938, at 10:00 o'clock in the forenoon of that day, at the Securities and Exchange Building, 1778 Pennsylvania Avenue, NW., Washington, D. C. On such day the hearing-room clerk in Room 1102, will advise as to the room where such hearing will be held. At such hearing, if in respect of any declaration, cause shall be shown why such declaration shall become effective.

It is further ordered, That Robert P. Reeder or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearings in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to continue or postpone said hearing from time to time or to a date thereafter to be fixed by such presiding officer.

Notice of such hearing is hereby given to such declarant or applicant and to any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before July 2, 1938.

The matter concerned herewith is in regard to the filing of a declaration by Northeastern Water Companies, Inc., a registered holding company, and a subsidiary of Associated Gas and Electric Corporation and Associated Gas and Electric Company, both registered holding companies, pursuant to section 7, relating to the issue and sale of a promissory note not to exceed \$2,100,000, to mature in not more than three years and to bear interest at the rate of not more than 6%. The note is to be secured by the pledge of 151,947 shares of the common stock of Northeastern Water and Electric Corporation. The note is being issued to renew or refund declarant's now outstanding promissory 5% note, dated July 14, 1937, and due July 14, 1938, which is presently held by International Holdings, Limited, a Canadian corporation. The declaration states that the new note may be issued to the present holder of the old note in cancellation or renewal of the old note or that it may be necessary to issue the new note to other persons and to use the proceeds therefrom to pay the old note at maturity.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-1738; Filed, June 17, 1938;
12:54 p. m.]

*United States of America—Before the
Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 15th day of June, A. D. 1938.

[File Nos. 46-69; 46-70]

**IN THE MATTER OF UTILITIES POWER &
LIGHT CORPORATION LIMITED**

**NOTICE OF AND ORDER FOR REOPENING
HEARING**

Utilities Power & Light Corporation Limited, a subsidiary of Utilities Power & Light Corporation, which is a registered holding company, heretofore filed with this Commission an application (File Nos. 46-69), pursuant to the Public Utility Holding Company Act of 1935, wherein said applicant asked for an order of exemption pursuant to Section 9 (c) (3) of said Act or in the alternative an order of approval pursuant to Section 10 (a) (1) thereof with respect to the acquisition by the applicant by purchases for cash from time to time on the open market through brokers on national exchanges of Thirty-Year 5% Gold Debentures due February 1, 1959 and Twenty-Year Gold Debentures 5½% due June 1, 1947 of said Utilities Power & Light Corporation (parent company) to the extent of the expenditure by said applicant of not more than \$3,000,000;

Said applicant also filed with this Commission an application (File No. 46-70) wherein applicant asked for an order of exemption pursuant to said Section 9 (c) (3) or in the alternative an order of approval pursuant to said Section 10 (a) (1) with respect to the acquisition by the applicant by purchases for cash from time to time on the open market, through brokers on national exchanges and by over-the-counter transactions in the cases of unlisted securities, of certain securities of certain associated companies to the extent of the expenditure by the applicant of not more than \$3,000,000;

A joint hearing with respect to the foregoing applications, as then amended, was held. On January 11, 1938, such hearing was closed.

Subsequently said applicant and Charles True Adams in his capacity of Trustee of said parent company under Section 77B of the Bankruptcy Act, intervening applicant, have submitted a further amendment to said application with respect to debentures of said parent company (File No. 46-69). As so amended such application asks that the Commission enter its order exempting said applicant and said intervening applicant from the provisions of Section 9 (a) of

the Public Utility Act of 1935 pursuant to Section 9 (c) (3) of said Act and that the Commission, by appropriate orders, permit and authorize the applicant to use \$12,000,000 of cash now held by it, or such other amount as the Commission shall deem proper, in one or more of the following methods:

(a) By permitting the applicant to acquire said parent company's debentures above described, by tender or tenders, at a price not exceeding such price as the Commission shall determine, or

(b) By permitting the applicant to purchase such debentures at such other price as the Commission shall determine, or

(c) By permitting said parent company to acquire from the applicant \$10,000,000 in cash, or such other sum as the Commission shall determine, which sum shall be distributed pro rata to all creditors of said parent company, and

(d) That an order be entered by the Commission approving the acquisition of said securities pursuant to the provisions of Section 10 (a) (1) of the said Public Utility Act of 1935.

It appearing to the Commission that both the before mentioned applications are now pending undetermined before it, that the amendment last mentioned should be received and the before mentioned joint hearing reopened;

It is ordered, That such last mentioned amendment be received with leave to file additional amendments if desired to either or both of said applications until such hearing shall again be closed; and

It is further ordered, That the before mentioned joint hearing be reopened on July 7, 1938 at ten o'clock in the forenoon of that day, at the Securities and Exchange Building, 1778 Pennsylvania Avenue, NW., Washington, D. C. On such day the hearing-room clerk in Room 1102 will advise as to the room where such hearing will be held. At such hearing evidence may be offered with respect to either or both of said applications as now or hereafter amended.

It is further ordered, That Richard Townsend or any other officer or officers of the Commission designated by it for that purpose shall preside at such reopened hearing in such matter. The officer so designated to preside at such hearing is hereby authorized to exercise all powers granted to the Commission under Section 18 (c) of said Act and to continue or postpone said hearing from time to time or to a date thereafter to be fixed by such presiding officer.

Notice of such reopening of such hearing is hereby given to all parties to this proceeding and to any other person whose participation in this proceeding may be in the public interest or for the protection of investors or consumers. It

¹ 2 F. R. 2988 (DI).

is requested that any person desiring to be heard or to be admitted as a party to this proceeding shall file a notice to that effect with the Commission on or before July 1, 1938.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-1740; Filed, June 17, 1938;
12:54 p. m.]

UNITED STATES CIVIL SERVICE COMMISSION.

CONDITION OF THE APPORTIONMENT AT
CLOSE OF BUSINESS, WEDNESDAY, JUNE
15, 1938

IMPORTANT.—Although the apportioned classified civil service is by law located only in Washington, D. C., it nevertheless includes only about half of the Federal Civilian positions in the District of Columbia. Positions in local post offices, customs districts, and other field services outside of the District of Columbia which are subject to the Civil Service Act are filled almost wholly by persons who are local residents of the general community in which the vacancies exist. It should be noted and understood that so long as a person occupies, by original appointment, a position in the apportioned service, the charge for his appointment

continues to run against his State of original residence. Certifications of eligibles are first made from States which are in arrears.

State	Number of positions to which entitled	Number of positions occupied
IN ARREARS		
1. Puerto Rico.....	573	38
2. Hawaii.....	137	15
3. Alaska.....	22	7
4. California.....	2,105	742
5. Texas.....	2,160	833
6. Louisiana.....	779	362
7. Michigan.....	1,796	844
8. Arizona.....	162	79
9. New Jersey.....	1,499	767
10. South Carolina.....	645	370
11. Oklahoma.....	889	525
12. Ohio.....	2,465	1,490
13. Arkansas.....	688	419
14. Mississippi.....	745	456
15. Alabama.....	981	605
16. New Mexico.....	157	99
17. North Carolina.....	1,176	765
18. Georgia.....	1,079	727
19. Kentucky.....	970	668
20. Nevada.....	34	25
21. Wisconsin.....	1,090	821
22. Illinois.....	2,830	2,159
23. Tennessee.....	970	742
24. Connecticut.....	596	470
25. Oregon.....	354	316
26. Indiana.....	1,201	1,085
27. Florida.....	544	498
28. Wyoming.....	84	77
29. New York.....	4,668	4,327
30. Washington.....	580	542
31. Pennsylvania.....	3,572	3,340
32. Utah.....	188	176
33. Delaware.....	88	84
34. Idaho.....	165	158
35. New Hampshire.....	173	167
36. North Dakota.....	252	249
37. Maine.....	296	294
38. Massachusetts.....	1,576	1,574

State	Number of positions to which entitled	Number of positions occupied	Net gain or loss since July 1, 1937
QUOTA FILLED			
39. Rhode Island.....	255	255	0
IN EXCESS			
40. Colorado.....	384	386	+12
41. West Virginia.....	641	646	+21
42. Kansas.....	698	725	+37
43. Vermont.....	133	139	+2
44. Missouri.....	1,346	1,426	+58
45. South Dakota.....	257	278	+8
46. Minnesota.....	951	1,049	+117
47. Montana.....	199	224	+23
48. Iowa.....	916	1,056	+98
49. Nebraska.....	511	611	+83
50. Virginia.....	898	1,943	+98
51. Maryland.....	605	1,852	+50
52. Dist. of Columbia.....	181	8,766	+215
GAINS			
By appointments.....			416
By reinstatements.....			6
By transfers.....			39
Total.....			461
LOSSES			
By separation.....			109
By transfers.....			55
Total.....			164
Total Appointments.....			46,262
NOTE.—Number of employees occupying apportioned positions who are excluded from the apportionment figures under Section 2, Rule VII, and the Attorney General's opinion of August 25, 1934, 13,777.			
By direction of the Commission.			
[SEAL]	L. A. MOYER, Chief Examiner.		
[F. R. Doc. 38-1724; Filed, June 17, 1938; 10:05 a. m.]			